

Message Text

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ORIGIN EUR-03

INFO OCT-01 ISO-00 ONY-00 /004 R

DRAFTED BY EUR/EE:DNJOHNSON:LCB
APPROVED BY EUR/EE:NGANDREWS
DESIRED DISTRIBUTION
FOR EUR/EE; THREE COPIES ONLY
-----087198 070143Z /61
R 061920Z JUN 78
FM SECSTATE WASHDC
TO AMEMBASSY BELGRADE

C O N F I D E N T I A L STATE 142819

FOR WORTZEL FROM ANDREWS

E.O. 11652:GDS

TAGS: OGEN

SUBJECT: OFFICIAL-INFORMAL

1. ALIMI/MAGUIRE. THE CABLES WE GAVE MAGUIRE WERE UNCLASSIFIED AND LOU ONLY, INCLUDING THE CHRONOLOGY ON THE ALIMI CASE (BELGRADE 2556) AND THE LOU CABLE ASKING ABOUT PAST US PRACTICE (BELGRADE 2646). WE SAW NOTHING IN THEM, INCLUDING THE LATTER, TO CAUSE ANY HEARTBURN. YOUR QUESTION IN THAT CABLE WAS ONE ESSENTIAL POINT IN THE UNDERSTANDING OF THE CASE REGARDLESS OF HOW MAGUIRE TOOK IT. THE OTHERS MERELY RECORDED THE CONTACTS AND HIGHLIGHTED MAGUIRE'S INTEREST. NONE OF THOSE WE GAVE HIM INCLUDED YOUR COMMENTS OR ANALYSES. IT IS PROBABLE THAT MAGUIRE COULD GET COPIES OF THE OTHER CABLES (APART FROM THE O-IS) IF HE WERE TO ASK FOR THEM UNDER FOI. IN THAT CASE, WE WOULD OF COURSE CLEAR WITH YOU WHAT WOULD AND WOULD NOT BE RELEASED. WE THINK IT
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IS UNLIKELY THAT MAGUIRE WILL ASK, HOWEVER, PARTLY BECAUSE WE ALREADY GAVE HIM SOMETHING AND PARTLY BECAUSE THE CASE HAS APPARENTLY BEEN RESOLVED. WE FELT THAT WE COULD NOT SAY IN THE MEMCON THAT WE HAD GIVEN HIM ONLY SELECTED CABLES SINCE HE HAD ALREADY ASKED FOR A COPY

OF THE MEMCON. THE POINT, THEREFORE, WAS TO RECORD

ACCURATELY THE COMPLAINTS HE MADE AND OUR REPLIES. WE REGRET THAT YOU SHOULD HAVE BEEN DISMAYED SINCE IT IMPLIES THAT YOU DO NOT TRUST US TO PROTECT YOUR INTERESTS. IN OUR VIEW, YOUR INTERESTS ARE OURS, TOO, AND WE WOULD NOT HAVE DONE OURSELVES A SERVICE BY FAILING TO PROTECT YOUR INTERESTS.

2. SPEAKING OF DISMAY, DARRYL WILL BE SENDING A CHECK FOR THE HOTEL IN ZAGREB (BELGRADE 3991) BUT THOUGHT THAT HE HAD INDICATED THAT HE WOULD BE STAYING WITH THE KAISERS THERE.

3. ZAIRE. WE GOT INR TO REPEAT TO YOU A RECENT CABLE (STATE 136174) GIVING SOME ADDITIONAL BACKGROUND ON THE ZAIRE SITUATION. IT DOES NOT PROVIDE MUCH ADDITIONAL EVIDENCE, BUT WE WILL CONTINUE PUSHING FOR SOME MORE DETAILED DISCUSSION FOR YOU.

4. HAVANA NAM MEETING. WE HAVE ASKED IO TO PUT TOGETHER AN ASSESSMENT OF THE YUGOSLAV PERFORMANCE AT THE RECENT HAVANA MEETING. THIS CABLE SHOULD BE COMING IN THE NEXT FEW DAYS, AND IS GIVEN ADDED IMPORTANCE BY TEHRAN'S READING OF THE YUGOSLAV PERFORMANCE (TEHRAN 5281).

5. BRZEZINSKI CHINA TRIP. NSC HAS SAID THAT THEY WILL TRY TO GET SOMETHING FOR YOU ON DR. BRZEZINSKI'S RECENT CONFIDENTIAL

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TRIP TO THE PRC. THE CHINA-TYPES IN THE DEPARTMENT WERE NOT ABLE TO OFFER ANYTHING AND SAID IT WOULD HAVE TO COME FROM NSC.

6. OPIC VISIT. AS INDICATED IN LAST PARAGRAPH OF STATE 134090, LEIGH HOLLYWOOD WILL NOT BE VISITING YUGOSLAVIA IN JUNE. HE HAS ASKED WHETHER FIRST HALF OF JULY OR SEPTEMBER WOULD BE BETTER FOR EMBASSY AND GOY. (A VISIT IN SEPTEMBER, INCIDENTALLY, COULD BE ARRANGED TO COINCIDE WITH A MEETING OF THE ECONOMIC/COMMISSION WORKING GROUP IF YOU THINK THIS WOULD BE USEFUL.) DARRYL ALSO MENTIONED THAT EMBASSY WAS CURIOUS AS TO WHETHER HOLLYWOOD'S VISIT IMPLIED ANY CHANGE IN OPIC GUIDELINES OR PROCEDURES FOR YUGOSLAVIA. THERE HAVE BEEN NO CHANGES SINCE THE ILL-CONCEIVED \$1,000 PER CAPITA CEILING WAS ADOPTED LAST YEAR, BUT HOLLYWOOD FEELS THAT THERE STILL IS ROOM FOR OPIC TO OPERATE IN YUGOSLAVIA AND IS ANXIOUS TO SEE WHETHER THE NEW JOINT VENTURE LEGISLATION (IN PARTICULAR THE CHANGES PERMITTING JOINT VENTURES IN MINING AND ENERGY PROJECTS) WILL CREATE EVEN MORE ROOM. IN ANY CASE, I THINK HOLLYWOOD'S VISIT

WILL PROVIDE YUGOSLAVS WITH CLEARER UNDERSTANDING OF OPIC'S EXPERIENCE IN IMPLEMENTING GUIDELINES SINCE LAST SEPTEMBER.

7. YUGOSLAV/EC RELATIONS. WE TRIED TO GET AN ITEM TO THE PRESIDENT TO RAISE THIS WITH SCHMIDT, BUT THE TIMING WAS TOO TIGHT AND IT DID NOT WORK OUT. WE ARE PREPARED TO PUSH FOR ANOTHER ROUND OF DISCUSSION IN EC CAPITALS AND WILL LET YOU KNOW HOW THIS MOVES ALONG. WE AGREE THAT THE YUGOSLAV CONCERNS ARE SERIOUS AND ARE MILDLY ENCOURAGED BY RECENT REPORTING WHICH IMPLIES THAT SOME EC LEADERS ALSO SEE THE PROBLEM, EVEN IF THEY HAVE NOT YET FIGURED OUT WHAT TO DO ABOUT IT.

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8. DJILAS/PERNICK. WE THOUGHT IRWIN'S REPORT ON THE DINNER CONVERSATION WITH DJILAS WAS EXCELLENT. ALSO FOR IRWIN, THE PAPERS FOR HIS WIFE ARRIVED EARLY LAST WEEK AND WERE DELIVERED TO HER THE SAME DAY.

9. BRAGDON TDY. BOB IS LOOKING FORWARD EAGERLY TO HIS TDY THIS SUMMER. HE PLANS TO ARRIVE ON JULY 2 VIA PA 66. HE WONDERES WHAT SORT OF THINGS HE SHOULD BRING, BOTH PROFESSIONAL (ECONOMIC STUDIES, STATISTICS, ETC.) AND PERSONAL (UTENSILS, LINENS, ETC.). WE SAID WE THOUGH THESE THINGS WOULD BE AVAILABLE AT THE EMBASSY, EXCEPT FOR VERY RECENT PROFESSIONAL ITEMS WHICH HE MAY WANT TO BRING OR SEND. IF YOU HAVE ANY ADVICE FOR HIM, WE'LL BE GLAD TO PASS IT ON.

10. TEXTILES. (BELGRADE 4107) WE SHARE THE AMBASSADOR'S FEELINGS ABOUT THE WAY THE TEXTILE PEOPLE PLAN TO NEGOTIATE ON SUITS WITH THE YUGOSLAVS, BUT HAVING OBSERVED THEM IN ACTION WITH OTHER COUNTRIES -- BE THEY FRIEND OR FOE -- I THINK THAT THERE IS NO WAY OF AVOIDING THE "TURKISH RUG MERCHANT APPROACH". THERE ARE VERY STRONG PRESSURES ON THE NEGOTIATING TEAMS FROM THE UNIONS, AND NO ONE WANTS TO GET CAUGHT HAVING GIVEN ANYTHING AWAY. I THINK THE BEST THING TO DO WOULD BE IF YOU OR THE AMBASSADOR MET WITH THE TEAM ON MONDAY AFTERNOON (JUNE 12) AND URGED THEM TO OPEN WITH A POSITION CLOSER TO THEIR REAL FLEXIBILITY. BILL BREW, THE DELEGATION CHAIRMAN FROM STATE'S TEXTILES OFFICE, IS REASONABLE AND UNDERSTANDS WHAT YUGOSLAVIA REPRESENTS. GAREL FROM COMMERCE WILL BE MORE CAUTIOUS, BUT STILL REASONABLE. THE LABOR REPRESENTATIVE HAS NOT YET BEEN NAMED, BUT HE (OR SHE) WILL BE THE PROBLEM. WITH THE USUAL EFFECTIVE SUASION AND CHARM APPLIED BY THE EMBASSY, I'M SURE THEY'LL BE MALEABLE.

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11. FOR IRWIN PERNICK FROM HARRY DUNLOP - WOULD APPRECIATE HAVING ON ARRIVAL FOR ME TO LOOK OVER A REPRESENTATIVE SAMPLE OF EACH POLITICAL SECTION OFFICER'S OUTPUT -- TO INCLUDE THOSE PIECES WHICH HE REGARDS AS HIS BEST EFFORT(S), PLUS SOMETHING FROM EACH AREA IN WHICH HE HAS BEEN INVOLVED TO INCLUDE SOV, SPOT REPORTING, THINK PIECES, WHATEVER. THANKS.

12. OPIC (CONTINUED). JUST SAW YOUR BELGRADE 4238 AND SPOKE WITH HOLLYWOOD. HE CAN'T MAKE IT IN JUNE, SO WE HAVE URGED HIM TO POSTPONE UNTIL MID-SEPTEMBER, AND HE HAS AGREED. HE WILL BE SENDING OPEN CHANNEL MESSAGE TO THIS EFFECT. VANCE

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Message Attributes

Automatic Decaptioning: Z
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 06 jun 1978
Decaption Date: 20 Mar 2014
Decaption Note: 25 YEAR REVIEW
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978STATE142819
Document Source: CORE
Document Unique ID: 00
Drafter: DNJOHNSON:LCB
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D780237-0057
Format: TEL
From: STATE
Handling Restrictions:
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780690/aaaaczng.tel
Line Count: 189
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 33d3e390-c288-dd11-92da-001cc4696bcc
Office: ORIGIN EUR
Original Classification: CONFIDENTIAL
Original Handling Restrictions: ONLY
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: ONLY
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 10 jun 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2471615
Secure: OPEN
Status: NATIVE
Subject: OFFICIAL-INFORMAL
TAGS: OGEN
To: BELGRADE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/33d3e390-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014